

EXPLANATION OF CONSTITUTIONAL AMENDMENTS

Amendments to the Constitution are required to redefine “Affiliate Member,” to add the category of Financial Affiliate Members and to increase the number of members of the Board of Governors to include Financial Affiliate Members. In addition, amendments to the Constitution are being proposed to: (i) enhance the indemnification provisions contained in the Constitution in accordance with New York law; (ii) conform the provisions in the Constitution for canvassing proxy ballots for amendments to the Constitution with those set forth in the By-Laws; and (iii) revise the definition of “Entire Board of Governors” to align with current New York law.

Strike-outs denote deletions, underlines denote additions.

Amendment to Constitution Article C3.1.1

The corporate membership shall consist of Honorary Members, Fellows, ~~and~~ Members and Financial Affiliate Members. The non-corporate membership shall consist of Affiliates (other than Financial Affiliates) and Student Members.

Amendment to Constitution Article C3.1.6

~~An Affiliate should be a person who is capable of and interested in rendering service to the field of engineering; and whose work should be so related to applications of engineering that admission to this grade will contribute to the welfare of the Society:~~

An Affiliate Member is a person who is capable of and interested in rendering service to the field of engineering but who does not need to have an engineering degree. An Affiliate Member’s work should be so related to applications of engineering that admission to this grade will contribute to the welfare of the Society. A Financial Affiliate Member, a subset of the Affiliate Membership, is someone who has financial background, training and/or experience. Financial Affiliate Members shall have the same rights and duties as a Corporate Member, including the ability to serve on the Board of Governors as a full voting member.

Amendment to Constitution Article C4.1.1

The affairs of the Society shall be managed by a Board of Governors which shall have full control of the activities of the Society, subject to the limitations of the Constitution and By-Laws, Society Policies and the laws of the State of New York. The voting members of the Board of Governors shall consist of at least ~~fifteen~~ twelve and not more than ~~seventeen~~ fourteen members-at-large, such members-at-large selected as follows:

- Twelve members-at-large elected from among the corporate members of the Society in the manner specified in C4.1.5 (~~“Elected Governors”~~) and three members-at-large elected from among the Financial Affiliate Members of the Society in the manner specified in C4.1.5 (collectively, the “Elected Governors”). There shall be one Financial Affiliate Member in each class.
- In the discretion of the Board of Governors, up to two members-at-large, who need not be members of the Society, each appointed by the vote of a majority of the Entire Board of Governors (each, an “Appointed Governor”) upon their determination that the size of the Board of Governors may be fixed at ~~sixteen~~ thirteen or ~~seventeen~~ fourteen, as the case may be, to include a seat for the proposed appointee and that the proposed appointee has demonstrated substantial philanthropic support of the Society’s mission and sustained engagement with the field of engineering.

The “Entire Board of Governors,” as such term is used in this Constitution, shall mean the total number of members-at-large entitled to vote, within the range of fifteen to seventeen as fixed by the Board, assuming there are no vacancies, which the Society would have if there were no vacancies. ~~A seat vacated by an Appointed Governor, whether by expiration of his or her term, resignation, or otherwise, shall not be treated as a vacancy, and in such event, the size of the Entire Board of Governors shall be fixed without regard to the seat until such time, if any, as the Board of Governors exercises its discretion under C4.1.1 to appoint a new Appointed Governor.~~

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All members-at-large, whether elected or appointed, shall have the rights, privileges, and fiduciary duties granted or imposed by the laws of the State of New York.

The term of each member-at-large shall be three years, with the terms of ~~five~~ **four** Elected Governors and an Appointed Governor, if any, beginning each year at the second Business Meeting of the fiscal year of the Society, at a time designated annually by the Board of Governors, thereby staggering the terms of the members-at-large in office as nearly equally as possible among the three classes.

All members-at-large shall be limited to one full term of service. Additional service as a member-at-large may occur after an interruption of one or more years or as a consecutive partial term.

The Executive Director/CEO shall be an ex officio member of the Board of Governors without vote.

Amendment to Constitution Article 4.11

The Society shall indemnify each person (or heirs, executors and administrators) made, and the Society may in the discretion of the Board of Governors indemnify each person (or heirs, executors and administrators) threatened to be made, a party to an action, suit or proceeding (other than one by or in the right of the Society to procure a judgment in its favor), whether criminal or civil, by reason of serving or having served as a member of the Board of Governors or member of a sector, board or committee, or an Officer, or employee of the Society, or of another corporation or organization with which such person may serve or have served as such or as a trustee, at the request of the Society, or by reason of otherwise serving or having served as a nominee of the Society, as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise (herein all referred to more generally as the "Indemnified Parties") against judgments, fines, amounts paid in settlement and reasonable expenses (including attorney's fees actually and necessarily incurred as a result of such action, suit or proceeding, or any appeal therein) provided that such person acted in good faith for a purpose which is reasonably believed to be in the best interests of the Society or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the Society and, in criminal actions, had no reasonable cause to believe that the conduct was unlawful.

~~Such expenses shall include the cost of reasonable settlement made with a view to curtailment of litigation. The foregoing right of indemnification shall not be exclusive of other rights to which any such person may be entitled as a matter of law.~~

The Corporation shall pay expenses as incurred by any Indemnified Parties in connection with any action, suit, proceeding or inquiry described in this Article; provided, that, if these expenses are to be paid in advance of the final disposition (including appeals) of an action, suit, proceeding or inquiry, then the payment of expenses will be made only upon delivery to the Corporation of an undertaking, by or on behalf of the person, to repay all amounts so advanced if it is ultimately determined that the person is not entitled to be indemnified under this Article or otherwise.

If any provision of this Article will be found to be invalid or limited in application by reason of any law or regulation, that finding will not affect the validity of the remaining provisions of this Article. The rights of indemnification provided in this Article will neither be exclusive of, nor be deemed in limitation of, any rights to which any Indemnified Parties may otherwise be entitled or permitted by contract, the Certificate of Incorporation, vote of the Board of Governors, or otherwise, or as a matter of law, both as to actions in the person's official capacity and actions in any other capacity while holding such office, it being the policy of the Corporation that indemnification of any Indemnified Parties will be made to the fullest extent permitted by law.

For purposes of this Article, reference to "other enterprises" will include employee benefit plans; reference to "fines" will include any excise taxes assessed on a person with respect to an employee benefit plan; and reference to "serving at the request of the Corporation" will include any service as a Director or officer of the Corporation which imposes duties on, or involves services by, that Director or officer with respect to an employee benefit plan, its participants, or beneficiaries.

EXPLANATION OF CONSTITUTIONAL AMENDMENTS

Amendment to Constitution Article C8.11

At any Business Meeting of the Society corporate members may propose in writing an amendment to the Constitution, provided that it shall bear the written endorsement of at least 20 corporate members in good standing.

Such proposed amendment shall not be voted on for adoption at the meeting, but shall be open to discussion and modification, and to a vote as to whether in its original or modified form, it shall be provided to the corporate members of the Society for action.

If the corporate members present at the meeting, not less than 20 voting in favor thereof, shall so decide, then the Executive Director/CEO shall distribute to each corporate member a notice of the proposed amendment setting forth the proposed amendment in full, accompanied by any comment the Board of Governors may elect to make.

A proxy ballot shall be distributed with the notice of the proposed amendment. The voting shall close at 10:00 a.m. on the 20th day preceding the Business Meeting of the Society following the distribution.

Seven days or more before the closing of the proxy vote on an amendment to the Constitution, the Committee of Inspectors of Proxies and Ballots shall be convened to canvass the votes cast. Upon the close of the proxy vote, the Committee of Inspectors of Proxies and Ballots shall canvass the proxy ballots returned to the Society and shall certify the result to the Presiding Officer at the next Business Meeting of the Society. The terms of the members of the Committee of Inspectors of Proxies and Ballots shall expire when their report of the canvass has been presented and accepted.

The adoption of the amendment shall require a vote in its favor of two-thirds of the votes cast.

The Presiding Officer at the Business Meeting of the Society following the close of the ballot shall announce the result, and if the amendment is adopted it shall thereupon take effect.

FREQUENTLY ASKED QUESTIONS

Proposed Amendments to the ASME Constitution approved at the 2025 Business Meeting held November 16, 2025.

Questions and Responses

Q1: Why are “Financial Affiliate Members” being added to the Board of Governors?

Response: The Board of Governors (BOG) has a fiduciary duty of oversight of finances of the Society. As the affairs of the Society have become more complicated the Board of Governors has determined that it is desirable to include on the Board members with a background in financial matters. In turn, these “Financial Affiliate Members” would be used to populate Board Committees with financial fiduciary duties including the Audit Committee, the Committee on Finance and Investment, and the Executive Committee.

Q2: How will the Board be populated with Governors with backgrounds and experience in financial matters?

Response: This will be accomplished by enlarging the pool of candidates currently available to the Nominating Committee. To accomplish this, a new category of Corporate Member called the “Financial Affiliate Member” is being defined in C3.1.6 as a person who renders service to engineering, who has financial background training and/or experience, but who does not need to have an engineering degree. The current Constitution states that Corporate Members are required to have engineering experience.

Q3: Does the proposed restructuring of the BOG as described in the proposed changes of C4.1.1 represent an increase in the size of the Board and the number of voting members?

Response: The proposed change limits the number of “Financial Affiliate Members” to one per class. This results in three additional members on the BOG, for a total of fifteen “Elected Governors.”